



PSTIF and WIB – Two Important State Funds

Well Installation Board Meeting
August 15, 2020

What is the PSTIF?

- An account in the Missouri State Treasury, (just like GWP Fund);
- Revenues come primarily from a fee on all petroleum used in the State, paid to Dept of Revenue;
- Managed by a Board of Trustees appointed by the Governor;
- Insures people who store and dispense fuel;
- Also pays to clean up certain old tank sites.

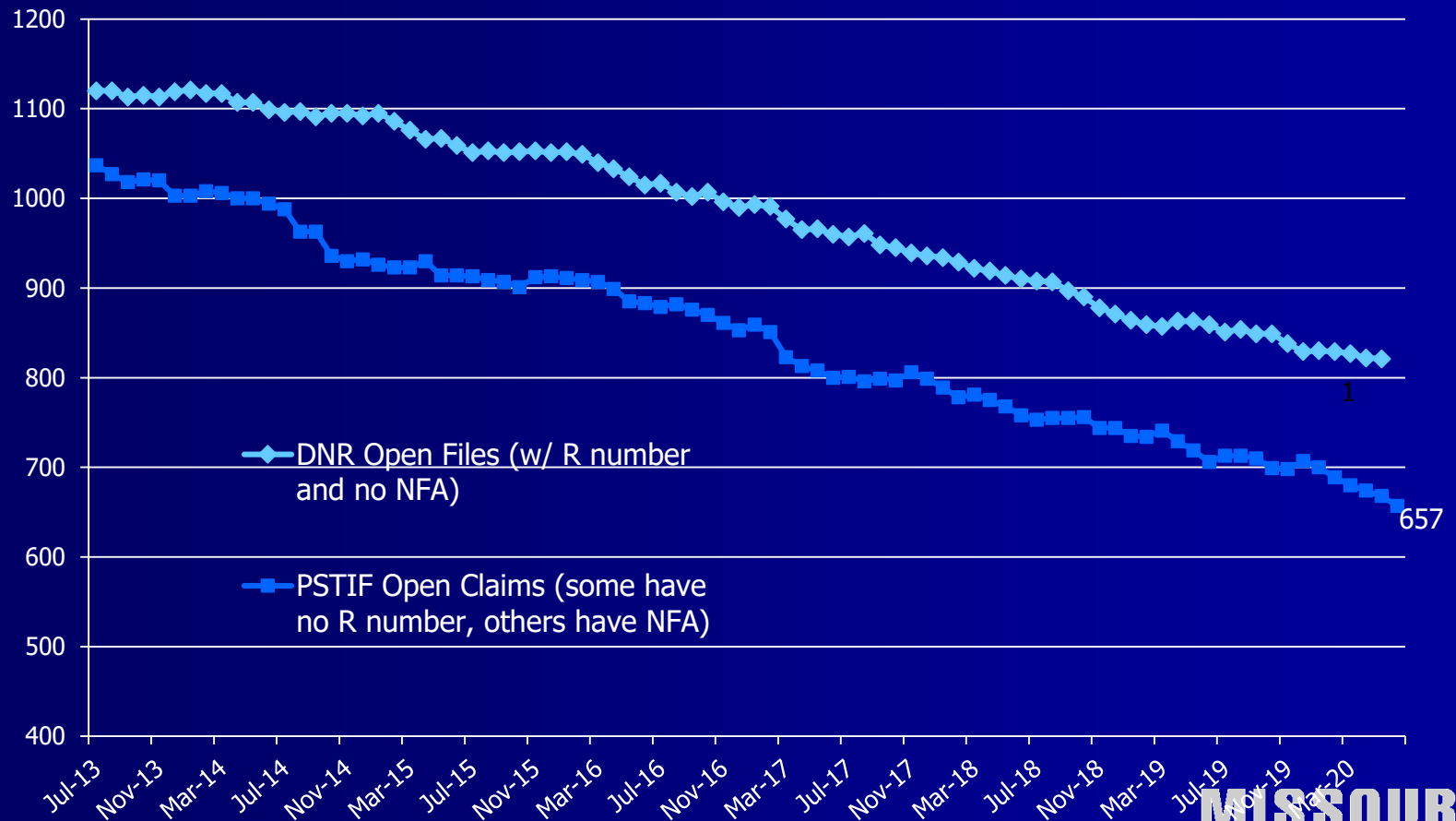


Brief History of PSTIF

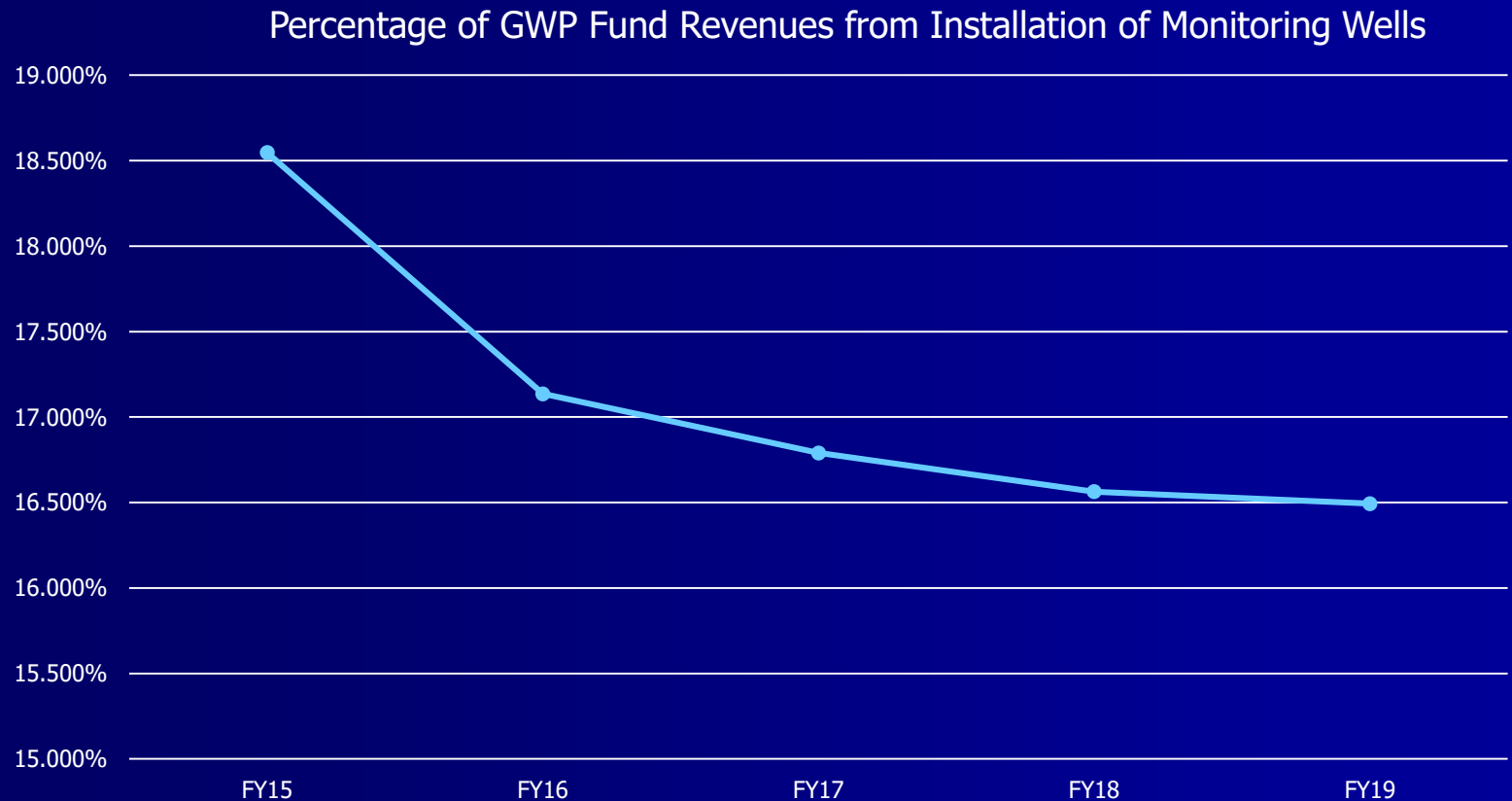
- First began insuring tank owners in 1992.
- Began paying to clean up old tank sites in 1995.
- Has funded cleanup of >7,000 sites across Missouri.
- Has spent >\$317 million of taxpayer money on those cleanups.
- Has paid costs of installing and plugging thousands of monitoring wells, including GWP Fund fees.



A Shrinking Number of Cleanups:



A Shrinking Number of Monitoring Wells:



Monitoring Wells and Drinking Water Wells are Very Different:

- It is not uncommon for there to be 20, 30, or more monitoring wells installed as part of cleanup activities.
- The wells are normally very shallow – 12-30 feet deep; (deeper wells may be installed if pollution is suspected at greater depths).
- Monitoring wells are temporary.
- Much of the info reported for each monitoring well is the same – e.g., date, site name/address, driller, construction details.
- A homeowner will pay one \$125 fee for installation of one drinking water well, but –
- The owner of a site being remediated will pay multiple \$125 fees for multiple monitoring wells on his property, then must pay another fee when the wells are plugged.

PSTIF Pays More Than Half of GWP Fund's Monitoring Well Revenues:

- FY19 Estimate: PSTIF reimbursed property owners for installation of 710 monitoring wells @ \$100 each
 - Generated \$71,000 in GWP Fund revenues.
 - This was 55.4% of all monitoring well installation fees.
- FY19 Estimate: PSTIF reimbursed owners' costs to plug 1035 monitoring wells @ \$50 each
 - Generated \$51,750 in GWP Fund revenues.
 - This was 51.1% of all abandonment fees.

Effect on PSTIF of Proposed Fee Increase:

- It is estimated that raising the fee for installation of monitoring wells to \$125 will cost the PSTIF an additional \$17,750 per year, making PSTIF contributions to the GWP approximately \$140,500 annually.

In Conclusion:

- PSTIF also contributes \$2+ million to the DNR annually to support its tanks regulatory program and oversight of cleanups.
- PSTIF cannot continue increasing its annual financial contribution to DNR when the number of cleanups, number of monitoring wells being installed, number of claims, and overall workload are clearly shrinking.